

FY13 Special Projects

Staff Summaries & Recommendations – September 2012

The Commission has 18 pending Special Projects grant requests, including eleven healthcare proposals submitted under the new Strategic Plan and program guidelines, as well as seven economic development proposals that have historically been eligible for this program. The Committee will meet September 26 to consider funding recommendations for these proposals.

This report also describes a new Megasite grant proposal to meet an active prospect's site selection timeline, and a request to repurpose funds in an FY06 Special Projects grant.

Req #	Organization Name	Project Title	Request Amount	Recommended Amount
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Healthcare Proposals (11)

2580	Liberty University	Liberty University Center for Medical and Health Sciences - Phase II	\$8,500,000	\$8,500,000
2586	Averett University	Averett Nursing SimVan and Telehealth Technology	\$482,000	withdrawn
2588	Brain Injury Services Of Swva	Institutionalizing Telemedicine and Life Skills Training at BISSWVA	\$136,000	\$0
2579	Community Memorial Healthcenter Foundation	CMH Radiation Therapy Center Project	\$1,000,000	\$500,000
2589	Mid-Atlantic Broadband Cooperative, Inc.	Genomic Sequencing Center	\$1,000,000	\$1,000,000
2376	Town of Nicklesville	Nicklesville Community Multi-Use Medical Facility Phase II	\$430,000	\$305,337
2582	Tri Area Community Health	Tri-Area Community Health Telehealth Expansion Project	\$33,819	\$19,782
2587	University of Virginia	Cancer Center Without Walls: Increasing access to the benefits of cancer research and advanced cancer care in Southwest Virginia.	\$964,390	\$964,390
2595	University of Virginia	Southside/Southwest Home Telehealth and Care Coordination for Chronic Disease Management (replaces #2364)	\$350,000	\$350,000
2585	Virginia Commonwealth University	Improving the Health and Productivity of the Tobacco Region Workforce	\$559,004	\$559,004
2578	Wellmont Foundation	Level One Heart Attack Network - SWVA	\$200,000	\$200,000

Economic Development Proposals (7)

2577	The Barter Foundation, Inc.	Expanding Barter's Production Capacity	\$3,700,000	\$0
2576	The Corporation for Jefferson's Poplar Forest	Building Infrastructure to Support Tourism Growth at Thomas Jefferson's Poplar Forest	\$753,960	\$0
2590	Cumberland IDA	Construction of "Road A" -- the access road into the Cumberland County Industrial Park	\$185,600	\$185,600
2591	Danville Community College	Building a High-Skilled Workforce for Virginia's Advanced Manufacturers	\$3,700,000	refer to Education
2581	Little League Baseball Inc	Regional Indoor Diamond Facility	\$270,000	\$0
2584	Southwest Virginia Cultural Heritage Foundation	Building a Crafts Economy in Southwest Virginia	\$500,000	\$0
2583	Virginia Foundation for Community College Education	GED to College: Increasing Educational Attainment Levels in the Tobacco Region	\$364,000	refer to Education
Total (18 requests/10 recommendations)			\$23,128,773	\$12,584,113
Balance available before/after recommendations			\$12,584,113	\$0

HEALTHCARE PROPOSALS

Averett University

Averett Nursing Sim Van and Telehealth Technology (#2586)

withdrawn by applicant

Brain Injury Services Of Swva

Institutionalizing Telemedicine and Life Skills Training at BISSWVA (#2588)

\$136,000 requested

Project summary provided by applicant: Institutionalizing Telemedicine and Life Skills Training at BISSWVA will further calibrate and create a self-sustaining direct service model for critical rehabilitation and social support for brain injury survivors in rural areas. Combining two pilot programs completed in 2010, Brain Injury Services of Southwest Virginia (BISSWVA) has developed a more cost-effective method of delivering services throughout Southwest Virginia. The approach involves two key elements: a telemedicine program called CLiC (Community Living Connection) and Life Skills Training. CLiC is an Internet-based service that connects a group of brain injury survivors in three-hour sessions two times per week for highly interactive social and rehabilitative networking. Life Skills Training is a vital component of

case management services. Brain injury survivors receiving Life Skills Training gain compensatory strategies to perform basic tasks necessary for independence. This proposal allows BISSWVA to combine CLiC and Life Skills Training under the direction of Community Support Service Specialists (CSSS's) and part-time CLiC Facilitators achieving a more cost-efficient method of service delivery while also increasing impact and numbers of survivors we are able to assist. Further, an evaluation component advances work already done in testing CLiC as an effective and replicable model for use by people with a wide range of disabilities who face isolation and access to care as barriers to rehabilitation and a return to community life. An investment by the VTICRC has the potential to directly improve the lives of hundreds of brain injury survivors and advance the state of telemedicine delivery services for thousands and many more.

Staff comments and recommendation: The proposal would expand existing counseling services that have operated from regional offices in Abingdon, Wytheville and Norton for the benefit of brain injury survivors, however, the positioning of this as a telemedicine project is open to some interpretation, given that is a web-based system for counseling and “rehabilitative networking” on life skills and social behavior rather than actual medical diagnosis and treatment. It offers relatively lower numbers of net new tobacco region residents served and appears to focus more so on seeking TICR funds for staffing, legal, IT, research and database design to prepare the programs for licensing beyond the tobacco region as a means of generating sustainable funding for the organization, which is not a priority for Commission funding. **Staff recommends no award.**

Community Memorial Healthcenter

CMH Radiation Therapy Center Project (#2579)

\$1,000,000 requested

Project summary provided by applicant: Community Memorial Healthcenter (CMH) is requesting \$1 million from the TICR Special Projects Fund to assist with the construction of a \$5 million radiation therapy facility in South Hill, VA. The facility will be connected to CMH's existing medical oncology center and will provide residents in the CMH service area access to comprehensive cancer care services in one convenient location. For 25% of this region's population of over 85,000 people (Health Planning District 13), travel time to a facility in Virginia is more than a 60-minute drive, according to data from the Virginia Department of Health. With the need to receive treatment frequently five (5) days a week for 4-8 weeks, this is either an enormous challenge or an insurmountable obstacle for this vulnerable patient population. CMH is partnering with Virginia Commonwealth University Health System (VCUHS) in a joint venture (JV) with each organization contributing 50% of the costs to build and operate the facility. The radiation therapy center will not only improve access to comprehensive cancer locally but will also provide patients access to the latest clinical trials in cancer research through VCU Massey Cancer Center, recognized as a national leader in cancer research and treatment. Construction of the radiation therapy facility is the first phase of a \$19 million expansion project that CMH must do to improve access to health care for Southside Virginia residents. As a sole community hospital, operating funds are not sufficient to finance a project of this scale; therefore the hospital launched a Capital Campaign in July 2011 which has raised \$5.3 million to date in cash and pledges; however, only \$1,105,000 of the donations received are restricted to construction of the radiation therapy center. TICRC funding will enable CMH to utilize the remaining donated funds towards the other portions of the expansion project, thus allowing CMH to move forward with other phases of the expansion project within a year. The radiation facility, approximately 5000 square feet, will be newly constructed as an addition to the existing CMH Cancer Center. It will have radiation therapy resources consisting of (i) a Varian clinic iX linear accelerator; (ii) an ARIA Information Management System; and (iii) a Pinnacle3 3D Treatment Planning and IMRT System.

Staff comments and recommendation: The project was granted a Certificate of Public Need by the Commonwealth in January 2012, ground has already been broken and construction is underway on this project. The request presents an “opportunity cost” case for the Hospital wherein this project is already fully funded, but any level of TICR support would allow the CMH to shift pledges received to other capital needs that are not TICR funding priorities, such as replacement of surgical suites and labs. Likewise it represents an opportunity cost for TICR in that it could be viewed as a precedent-setting investment in hospital expansions and equipment purchases. In this case, the partnership with VCU Massey Cancer Center entails not only state of the art treatment of cancer patients who are currently forced to drive a two-hour round trip to Richmond for daily treatments, but also offers an opportunity to expand Massey’s clinical research trials to patients in Southern VA. CMH estimates 3,000 treatments of 120 patients from several tobacco region localities in CMH’s service area in year one, rising to 5,750 treatments of 230 patients in year three. It has the additional attribute of the creation of six new high-paying jobs (averaging \$78,000 annually). The project far exceeds the required dollar-for-dollar leveraging of healthcare proposals, and seeks TICR support for both construction (\$500,000) and equipment (\$500,000). The project’s \$2.5 million equipment cost is the final step to complete the project later this year, and Staff suggests this should be the focus of TICR support, with the noted recognition that this investment in hospital equipment is primarily due to its ability to offer cancer treatment services and expansion of cancer clinical trials in a multi-county region that currently does not have access to such services. **Staff recommends award of \$500,000 for equipment.**

Liberty University

Liberty University Center for Medical and Health Sciences - Phase II (#2580)

\$8,500,000 requested

Project summary provided by applicant: The Liberty University Center for Medical and Health Sciences will house the Liberty University College of Osteopathic Medicine and the Liberty University School of Health Sciences. This Center will contribute to the revitalization of the Tobacco Region by (1) providing education to residents of the Tobacco region, (2) creating hundreds of jobs, and (3) providing qualified medical personnel to Medically Underserved Areas. Commission funding, matched by an investment by Liberty University, has been used in the past year to initiate construction of the main educational building in Campbell County. Phase II of this project equips this building, including an on-site clinic used for training students, with state-of-the-art equipment. Without the addition of this site, students will need to seek their training, including residency/rotation locations, at sites out of the Tobacco Region--a pattern that both lowers the potential amount of primary care available to residents in the short term and decreases the likelihood that these trained medical personnel will set up permanent practices in the Region. This funding request enables Liberty University to meet immediate needs in the Region for jobs and quality medical care, while also making a long-term investment in the health of Southside Virginia. This project meets four needs simultaneously:

1. **Health Care Shortages:** The projected 28,000 graduates by the end of the twentieth year of the center will offset many of these shortages. The educational programs housed in the center create a direct job pipeline to meet the health care needs of the Tobacco Region.
2. **Lack of Clinical Sites:** Mobile clinics and other sites equipped in cooperation with Liberty University significantly increase the number of students able to complete their rotations and residencies in the Region. This project partially funds one of those sites--a clinic on LU's campus.
3. **Job Loss in the Region:** The Center will create 800 short-term jobs in construction (with preference given to Tobacco-Region employers), plus more than 500 jobs associated with staffing and operating its academic programs. Of these, 111 will be new high-paying, full-time positions housed directly in the Center (salary

range: \$50,000 - \$150,000 annually). In addition, more than \$45,000,000 of annual direct economic impact on the region is predicted by the time the medical school is at full capacity in 2018.

4. Educational Deficits in the Region: Liberty will open 28,000 positions in health-related academic programs over the next 20 years. Liberty is a natural choice for residents of the Region. Liberty already has a strong presence in the Region, with 24% of its first-time, full-time residential students coming from Tobacco-dependent areas. Tuition benefits (5% reductions) for residents of the Region provide an added incentive. In addition, because some of these programs can be completed partially online, residents can complete some of their degree requirements without having to plan a physical move to the Campbell County campus.

This project offers a game-changing contribution to the Tobacco Region by creating solutions for multiple of its largest problems: inadequate medical care, job loss, and educational deficits. Training approximately 28,000 medical professionals over the next 20 years, the Liberty University Center for Medical and Health Sciences will simultaneously create immediate jobs in the Center, offer discounted tuition to Tobacco-region residents, train these residents for jobs that already exist in the Region, and meet the health care needs of the Region in a focused and sustained way. The Center will establish partnerships with local clinics already in existence, which will increase the medical capacity of these regional centers without adding any costs for local residents; in addition, by allowing Liberty students the opportunity to practice and build relationships in the region, the Center will increase the number of residents who choose to stay in the Region after completing their training.

Staff comments and recommendation: This request is the anticipated follow-on to the Commission's award of \$12 million from the Special Projects Committee in FY12 for construction of the Center for Medical and Health Sciences. While the combined TCR support for this project represents one of the largest investments for a project in the Commission's history, it also offers what is arguably one of the largest and most multi-faceted returns on investments when the combined outcomes are aggregated regarding the education and employment opportunities for thousands of tobacco region students in several healthcare career paths, enhanced medical treatment of thousands of tobacco region residents, addressing the shortage of trained healthcare professionals in the region, and impacting educational achievement, employment and income statistics in the tobacco region. Liberty is committed to providing not only the required dollar-for-dollar matching funds for constructing and equipping the Center, but is also committed to the ongoing operational costs, and further proffers tuition discounts for tobacco region residents. **Staff recommends award of \$8,500,000.**

Mid-Atlantic Broadband Cooperative, Inc. (#2589)

Genomic Sequencing Center

\$1,000,000.00 requested

Project summary provided by applicant: MBC has partnered with the Chan Soon-Shiong Institute for Advanced Health (CSSIAH) to facilitate the development of a state of the art genomic sequencing center. The Chan Soon-Shiong Institute for Advanced Health (CSS IAH) created the Cancer Knowledge Action Network (CKAN) whose primary objective is to drive evidence based and personalized medicine for cancer patients. CKAN is a unique national application service, which brings together the most complete information about a patient using genome analysis and partners from around the world. Hospitals and clinics use a variety of clinical protocols, software systems and forms to capture a small fraction of a patient's clinical information when diagnosing and treating cancer related diseases. There is a substantial gap in medical science and the delivery of patient care. Genomic sequencing can show the nature of a disease such as cancer at the molecular level. It provides a gateway to truly personalized medicine. Clinicians,

however, are not equipped with the tools needed to incorporate this knowledge into the care of their patients. CKAN must be able to show that this new way of diagnosing and treating cancer thru genomic sequencing and analysis works in the real world. The Cancer Knowledge Action Network (CKAN) primary objective is to drive evidence based and personalized medicine for cancer patients. It is a unique application service which brings together the most complete information about a patient, latest scientific and clinical information about an illness, and high performance computing power for state of the art imaging and analytics. One of the key services offered by CKAN will include whole tumor genomic sequencing which requires the establishment of a new genomic sequencing center. This center will utilize strategic assets already funded by the Tobacco Commission including the Cray XMT Supercomputer in Danville. Another critical asset is the MBC fiber network which provides high bandwidth capacity and connectivity to the national fiber network used for CKAN. MBC has committed resources to assist in this project, including providing dedicated, high speed connectivity to every hospital and healthcare facility in the southern Virginia tobacco region. MBC provides the critical linkages from the CKAN national fiber optic network backbone nodes in McLean, VA and Raleigh, NC which will be tied into the genomic sequencing center in Danville, local and regional hospitals and the cancer centers of Virginia Commonwealth University and the University of Virginia. This connectivity will allow the southern Virginia region to gain global recognition on how high performance computing systems, fiber optic networks, technology, research and cancer treatment can be combined to improve outcomes of patient care. The goal of establishing this genomic sequencing center is to demonstrate the importance of understanding the potential mutation of cancer throughout a person's body and thus provide doctors with this valuable data. It will also bring the ability to identify (through genomic sequencing and analysis) which treatments would be effective for a specific patient, avoid potential toxicities and ensure a better disease management process for the patient. This is accomplished by using the whole genome sequencing process that will focus specifically on the patient's evidence not on typical trial and error method that is based on large populations. The potential of better care and cost savings are substantial. These advantages will be available to providers and patients locally, but will position southern Virginia as a leader in transformational healthcare delivery and the associated job growth that will come from that.

Staff comments and recommendation: According to Yale University *“The sequencing of the human genome along with related organisms represents one of the largest scientific endeavors in the history of mankind. The information garnered from sequencing will provide the raw data for the exploding field of bioinformatics, where computer science and biology live in symbiotic harmony. The large scale sequencing proposed by the Human Genome Project in 1990 could never have been a reality without modern computer facilities. The rapid proliferation of biological information in the form of genome sequences has been the major factor in the creation of the field of bioinformatics, that focuses on the acquisition, storage, access, analysis, modeling, and distribution of the many types of information embedded in DNA sequences.”* The project would combine the considerable resources of the Chan Soon-Shiong Institute (\$27 million of matching funds for multi-year operational costs are proposed) and research developed at UCLA with the TICR-funded Cray supercomputer and MBC network. The application's timeline and deliverables note the CKAN operation would be housed adjacent to the Cray computer in Danville's tobacco warehouse district, and that CKAN will negotiate clinical study agreement with regional healthcare providers and universities. This Special Projects request has a companion request in the TICR Southside Economic Development program which allocates \$2.5 million annually for regional technology projects (MBC is the applicant on that request, which is scheduled to be considered in SSED concurrently with this request in September). **Staff recommends award of \$1,000,000 for equipment to be owned by MBC.**

Town of Nickelsville

Nickelsville Community Multi-Use Medical Facility Phase II - #2376

\$430,000 requested

Project summary provided by applicant: The Nickelsville Community Multi-Purpose Medical Facility will provide a number of much needed medical services that are presently unavailable to the people in our area - and do so in a convenient and affordable fashion. These services will significantly improve the quality of life of the people in our entire region. Nickelsville has a Primary Care Physician, but is without a Pharmacy, a Dentist, Physical or Occupational Therapy, Mental Health Counseling, Health Education Opportunities, or a Wellness Center. Accessing any of these services requires residents to travel from 26 to 50 miles over winding country roads. According to Dr. DeMotts (our Primary Care Physician), cost and these extreme distances represent barriers many of his patients can't overcome as they seek the medication or care he has prescribed and that they often desperately need. According to the 295 total Demand Surveys, completed as part of the CDBG application process, 89% of respondents said they would utilize these programs and services if they were available in our area. When completed, the Project will address the community's number one priority and result in the development of a Multi-Purpose Medical Facility (including Pharmacy, Dentistry, Physical Therapy, Occupational Therapy, Mental Health Counseling, Health Education Programs, and a Wellness Center) that provides much needed medical services that are both convenient and affordable, to the people of Nickelsville and the surrounding area.

Staff evaluation and recommendation: This project was submitted to the Southwest Economic Development program in FY12 and was referred to Special Projects when the Commission's new Strategic Plan identified this Committee as the venue for considering healthcare proposals. The Southwest Committee has previously supported this project with two grants to date totaling \$270,000 (the full balance of a \$250,000 grant for acquisition and upfit of the site has not yet been used). DHCD has subsequently approved a \$700,000 CDBG grant for the project, and the project received construction bids on September 6th, with a bid option to construct only the medical portion of the project and delay the dental aspect that is the focus of this request until future funding opportunities emerge. Those bids show a reported funding gap of \$218,000 to complete the medical space and \$367,000 to fully build out the facility with medical and dental suites. Ultimately the Committee must determine if a project that seeks more than \$600,000 from TICR but does not meet the Committee's stated healthcare focus of cancer research and telemedicine is a worthy investment. The project also raises the issue of how many additional community clinics might approach the Commission for funding (the Committee indicated it would revisit eligibility of other project types such as community clinics in FY14). In this case, the overall project has been delayed a year by the Commission's discussion of its role in healthcare funding, and given the project's known funding shortfall and a potential additional delay of another year before a TICR funding decision, a strict interpretation of the cancer/telemedicine objectives would arguably prevent the project from moving forward at all and potentially jeopardize the DHCD funding. The estimated numbers of patients to be served is significant (733), it is well-matched by the DHCD grant and will be operated by an established regional healthcare provider (Clinch River Health Services). Furthermore, significant effort has been placed on developing an operational plan that satisfies the agencies funding this project, and the demand surveys provide some confirmation of the need for the clinic and the prospective user base. Staff would further note the operators should approach the Virginia Health Care Foundation which has a long track record of providing start-up operating support with an emphasis and high success rate in helping clinics that serve the medically uninsured survive on a long term basis. **Staff recommends an award of \$305,337 with the condition that the applicant apply for VHCF support.**

Tri Area Community Health

Tri-Area Community Health Telehealth Expansion Project (#2582)

\$33,819 requested

Project summary provided by applicant: Tri-Area Community Health (TACH) is a federal funded Community Health Center (CHC) that has served southwest and southern Virginia for more than 30 years. As a federally funded CHC, Tri-Area provides services to patients through a sliding fee scale that is based on their ability to pay. Our basic services include primary care and prevention services, minor emergency services, x-ray, lab, behavioral health, and pharmacy. We have had access to specialty care for our patients at Laurel Fork through the University of Virginia (UVA) Telemedicine Program for the past eight years, but not at the Floyd or Ferrum sites. TACH is in the process of transitioning to a Patient Centered Medical Home (PCMH) which is a model of care where the primary care provider coordinates the total care for all the patients they serve. In rural southwest and southern Virginia the PCMH model presents a number of challenges. There are not an adequate number of providers to meet the healthcare needs. This is especially true for behavioral health and specialty care. The UVA Telemedicine Program helps bridge that gap and provides affordable, quality health care to our patients. We want to extend that to our Floyd and Ferrum sites as well. UVA provides a sliding fee program for low income patients, so they match the target population TACH. UVA provides education classes through the telemedicine program and the patients can participate at our sites in the community where they live. The whole Tri-Area Community Health (TACH) service area (Carroll, Floyd, Franklin, and Patrick Counties) has a federal designation as a Medically Underserved Area (MUA) and a federal designation as a Health Professional Shortage Area (HPSA) for medical, mental health, and dental. This demonstrates there are not enough providers to meet the needs of the community. This is especially true for behavioral health and specialty care. The University of Virginia (UVA) Telemedicine Program provides access to 24 separate specialties and they have a sliding fee scale that allows access for our indigent patients. Their services include telepsychiatry services. TACH could actually provide counseling from our Laurel Fork site to Floyd and Ferrum with telemedicine equipment at those sites. Tri-Area Community Health (TACH) is proposing to upgrade the telemedicine equipment at the Laurel Fork Clinic to new digital equipment to be more compatible with UVA and other IP connections. We are also looking at installing all new telemedicine equipment at the Floyd County and Ferrum sites. This would allow for interactive links between the clinical psychologist at Laurel Fork and the primary care providers at Floyd and Ferrum for patient consults and brief intervention counseling. It would also allow for telepsychiatry consults with the University of Virginia (UVA) Telemedicine Program. It would also assure patients access to quality and affordable specialty care through the UVA Telemedicine Program. We also plan to install video conferencing equipment at the two conference rooms at the TACH Corporate Office in Laurel Fork. This would be used for patient education classes and allow patients a better understanding of their condition and how to achieve better control. TACH will purchase a Non-Mydriatic Retina Camera that will allow for annual eye exams for diabetic patients. This camera will be used at all TACH sites and scheduled screenings will be conducted at all sites every two to three months. This will improve patient compliance for diabetic patients with the Standard of Care and will lead to improved health outcomes and a better quality of life. The Non-Mydriatic Retina Camera will allow diabetic patients to have the recommended annual eye exams and to be more compliant with their treatment plan and the Standard of Care. All of this will lead to improved health outcomes and overall health status for the patients served by TACH. It will also reduce a transportation barrier for many of these patients by providing services close to home. We project that 376 patients will be served in year one through the TIC Special Projects funding and 825 patient visits or services will be provided.

Staff comments and recommendation: TACH has a long record of serving patients in remote communities of Southwest and Southside via its partnership with UVA Office of Telemedicine. This proposal clearly meets the Committee's objectives of expanding telemedicine services to tobacco region

residents at TACH's three sites, and the numbers of net new patients served are significant given the sparse population density in the service area. The additional videoconferencing equipment requested for TACH's corporate offices will primarily be used for education programs and appears to be a lesser priority than the requested equipment that enables medical diagnostics and treatment. **Staff recommends award of \$19,782 for retina camera and telemedicine equipment at the Floyd and Ferrum sites.**

University of Virginia

Cancer Center Without Walls: Increasing access to the benefits of cancer research and advanced cancer care in Southwest Virginia. (#2587)

\$964,390 requested

Project summary provided by applicant: We propose a "Cancer Center Without Walls" to increase access for the citizens of the Tobacco Region to the revolutionary advances in cancer care, including clinical research, that are available only at NCI-designated cancer centers such as the University of Virginia Cancer Center. There are two broad, inter-related aims:

Aim 1. Increase access to advanced cancer care and clinical research, building on existing capabilities, especially the prior investments in broadband, telemedicine and telehealth and the existing capabilities of the NCI-designated Cancer Centers in Virginia.

a. Expand and evaluate telemedicine approaches to screening for breast and cervical cancer. In prior TICRC-supported projects (Healthy Appalachia Works and Southwest Virginia Telemedicine Cancer Outreach Project) the UVA Cancer Center and the UVA Center for Telehealth organized breast and cervical screening sites within Virginia Health Planning Districts I and II. Over the last year, 220 women received mammograms. For the next period, we plan to expand the mammography screening to 375 women. In addition we plan an outcomes analysis to evaluate the effects of quick turnaround in diagnosis on the likelihood of follow-up evaluation, and hence early intervention. Another innovative use of telemedicine during our prior grants was the development of the capacity to provide cervical cancer screening through the use of video-colposcopy. Over the past three years, with our partners at the Wise County Health Department, we provided 149 colposcopy screenings and implemented a video-colposcopy screening clinic enabling 43 patients in Wise to be seen via telemedicine by a gynecological oncologist in Charlottesville. A standing video-colposcopy clinic process has now been established, reimbursement streams developed, a health information exchange platform created (HIE) and additional sites established providing for a sustained clinical network for cervical cancer prevention and early detection. Our plan for the next period is to expand these services to include Saltville and Troutdale, and a total of 225 colposcopies. We also propose to do outcomes research on the effectiveness of this approach in the efficiency of diagnosis and follow-up.

b. Implement a clinical trial of Health Heritage, a program to assess cancer risk and to manage risk reduction. The University of Virginia has developed a web-based tool called Health Heritage to help people know their risk for cancer and provide strategies for reducing or managing the risk. We propose to make Health Heritage available to the citizens in SWVA by using the Cancer Research Affiliation Coordinator (described below) to develop strategic research partnerships with primary care practices and Federally Qualified Health Centers (FQHCs) in SWVA. The Cancer Research Navigator will work directly with the practices to implement screening strategies to recruit participants. The Navigator will also be responsible for working with the HH staff to encourage participation at Health Fairs or Worksite Screenings.

c. Establish a clinical research navigator team to enhance access to clinical research and advanced cancer care occurring at the NCI-designated Cancer Centers in Virginia. Access to most clinical research and capital-intensive treatments will require at least one visit to the UVA Cancer Center in Charlottesville, the Massey Cancer Center in Richmond, or in some cases to another NCI-designated Cancer Center. We propose to facilitate access by providing patient navigation and modest transportation resources; and to

make the UVA Cancer Center more directly responsive to the needs of patients who travel from Southwest Virginia. Patient Navigators walk patients through the numerous steps that are often necessary for accessing and completing cancer care. Patient Navigators help patients understand their cancer diagnosis and treatment, find financial aid, support groups, and other resources like wigs, nutrition supplements, etc. The navigator model can also be applied to clinical trials -- navigators in this role help promote awareness of clinical trials, answer questions about research, and point patients in the right direction for finding a trial that might be right for them.

d. Develop and implement clinical trials that specifically address needs of the residents of the Tobacco Region. We propose a study that will optimize the following parameters: 1. The availability of high-quality, promising clinical trials that could be opened at UVA; 2. The capacity and capability of our faculty and staff to implement the trials; 3. The unmet needs of our patients for a clinical trial that provides hope and can advance the treatment of cancer. In the context of this application, we propose to perform a subset analysis to determine the specific needs of patients from SWVA -- regardless of whether they are already coming to UVA -- and to open up at least three new clinical trials appropriate for this population during the course of the grant period.

Aim 2. Train personnel and develop infrastructure and tools so that, increasingly, advanced cancer care and clinical research can be performed closer to home in the Tobacco Region.

a. Perform needs assessment for increased capability for clinical research. As part of our prior Healthy Appalachia Works project, we performed an assessment of healthcare workforce capabilities and needs. That study will be updated and expanded to focus on the area of clinical research, which has unique requirements -- technical, regulatory, data management, networking, patient consenting, etc. The development of a network of clinical research-capable care providers, with the UVA Cancer Center as the hub, makes it possible to achieve this goal. We will perform a careful enumeration and analysis of the research-oriented services and resources that currently exist and develop a plan to build what needs to be developed.

b. Train clinical research staff resident in the Tobacco Region.

The center of our training will be the development of a UVA Wise RN Clinical Trials Training Program. Two versions of the course will be developed:

- A practical how-to course for healthcare providers
- A general introduction for lay healthcare workers

Using a "train the trainer" model, participating Schools of Nursing will be offered a complete teaching module of content and resources. An ongoing evaluation component is built in as both an accountability measure, and as a tool to assist with establishing best practices.

c. Implement local clinical research infrastructure, including data management, software, and regulatory capabilities. A key for successful development of clinical research capability is to identify, recruit and support a physician leader in Southwest Virginia who can inspire local caregivers and interface with the hub at UVA. A virtual SWVA Office for Clinical Research will coordinate with the Office for Clinical Research at UVA, which will provide training, research protocol development, and trial budget development. The personnel who will staff the local infrastructure will be responsible for maintaining regulatory compliance, including consenting patients, assuring the integrity of the data that is collected and monitoring patient safety. The Cancer Clinical Trials Management Software System that is used by UVA and Massey (termed OnCore) will need to be licensed to each of the sites where clinical trials are implemented. The Clinical Research Coordinators who are in the TICRC footprint will be trained on using that software system. This proposal helps build a healthy citizenry by enhancing access to the full spectrum of cutting-edge cancer prevention, risk management and treatment; and also helps build a healthy economy, by expanding the health and IT workforce, investing in local healthcare delivery, and retaining clinical expenditures in the Tobacco Region.

Staff comments and recommendation: This proposal responds to the General Assembly's addition to the TICR mission of supporting cancer research at a National Cancer Institute-designated university center. The UVA Cancer Center previously received one TICR grant for just under \$1 million that is nearly complete. That effort involved substantial outreach across Southwest VA and providing tobacco region residents with treatment in Charlottesville when needed. The majority of this proposal seeks funding for personnel (\$730,285) and contractual services (\$136,200). The majority of grant-funded positions will be located in Charlottesville and covered primarily by UVA matching funds (most of the other UVA-based positions are cost-shared equally with TICR), whereas the majority of the requested TICR funds for personnel will fully fund a half dozen full- and part-time positions created in the tobacco region for two years. The proposal estimates that 570 tobacco region residents will receive treatment, screening, patient navigation and other services, and more than 30 tobacco region health professionals will be trained in clinical research protocols. This work will also define the need for at least three new clinical trials that will be established for cancers that occur disproportionately in SWVA, an effort that will be coordinated with VCU Massey (the two organizations have agreed to use compatible database software in order to provide a unified record of clinical trials in the tobacco region). **Staff recommends an award of \$964,390.**

University of Virginia

Southside/Southwest Home Telehealth and Care Coordination for Chronic Disease Management (#2595 - replaces #2364)

\$350,000 requested

Project summary provided by applicant: Building upon our longstanding outreach efforts, the UVA Center for Telehealth proposes to expand services in the Tobacco region through two regional Care Coordination and Remote Patient Monitoring Centers ("C3s"), serving patients in both Southwest and Southside Virginia. This project will be coordinated with a recently awarded certified telehealth technologist training program ("STAR") funded through the Virginia Health Workforce Development Authority. Communities located in the Tobacco region are ideal for telehealth services due to a high prevalence of chronic disease and clearly articulated healthcare workforce shortages (Joint Commission, 2009). The targeted regions have high mortality and hospitalization rates for chronic illnesses such as cardiovascular disease and diabetes, well above the Virginia average. The burden of chronic illness in the region is magnified by healthcare provider shortages that hinder access to care and treatment coordination. Home telehealth, connecting vulnerable patients at home with care coordinators who remotely monitor vital signs and symptoms on a daily basis, can demonstrably improve patient outcomes, reduce costly hospital readmissions, and encourage patients to proactively participate in managing their illness. During the project period, the UVA Center for Telehealth proposes to improve access and care coordination by providing C3 services for up to 500 patients with chronic illness in Southside and Southwest Virginia, leading to reductions in hospital readmissions and lower health care costs. We will create a sustainable program for remote patient monitoring and care coordination, leveraging a new regional telehealth workforce, with potential expansion to thousands of chronic patients within the Tobacco Commission footprint.

Staff comments and recommendation: This project was submitted to the Southwest Economic Development program in FY12 and was referred to Special Projects when the Commission's new Strategic Plan identified this Committee as the venue for considering healthcare proposals. It has been revised and amount requested has been reduced substantially, primarily due to a significant financial commitment by UVA. The monitoring of patients in their home that's the focus of this request has been proven an effective strategy to reduce the number and length of hospital stays by a decade-old Veterans Health Administration program which currently has 90,000 veterans participating in home telehealth monitoring (typically each

patient is monitored for 60 days). The proposal will establish two satellite patient monitoring centers in the tobacco region (one in SS and one in SW), which will be linked to and overseen by the primary center at UVA. Staff at the two tobacco region centers (an RN and Certified Health Aide at each center) will assist patients with home installation, education and monitoring. A broadband connection links the patient's devices to the C3 center where software programs issue alerts as needed. Results are available to the patient's healthcare providers via a secure web-based portal and integrated into the patient's electronic health records. Ten hospitals in tobacco region (6 SW/4 SS) that have high 30-day readmission rates will be targeted for participation, but clinics, health centers, physicians and other partners in the UVA telehealth network will participate as well. UVA funds, which provide more than a two-to-one leveraging of TICR funds, are committed to cover the cost of one tobacco region C3, as well as support the tobacco region sites from the primary C3 in Charlottesville. The project will be implemented by UVA's private partner, Broad Axe Technologies, which will lease equipment, secure satellite sites, hire regional staff etc. Additional regional staff supported by the grant include field support manager, admin assistant and a portion of Broad Axe staff salary and fringes. Equipment and hardware/software costs are also requested. While future sustainability is not yet secured but UVA's future funding model includes contracts with health systems, hospitals, nursing homes, PACE programs, FQHCs, medical practices, Medicaid and the private payers reimbursement for services. Ultimately this project could impact 2,000 tobacco region residents annually by using available technology to reduce hospital readmissions, time lost from work, and serious injury or death from chronic diseases. **Staff recommends award of \$350,000.**

Virginia Commonwealth University

Improving the Health and Productivity of the Tobacco Region Workforce (#2585) **\$559,004 requested**

Project summary provided by applicant: Cancer is a major health problem in Virginia - difficult to treat, to endure and to cure. National statistics indicate that a woman born today stands a 33% chance of being diagnosed with some form of cancer at some point in her lifetime, and for men the chances are 50%. For the residents of the Southside and Southwest Tobacco counties, the numbers are grimmer. Based on the Census 2010 data, residents of this region face on average 5,419 new cancer diagnoses made annually. These diagnoses will be made on average at later stages, and the resulting mortality rates for cancer patients within the region far exceed state and national averages. A comprehensive and integrated approach to address cancer disparities has been developed by researchers at the VCU Massey Cancer Center. Strategies include assessing and identifying cancer needs within the region's health districts, innovative research tools to improve health literacy for residents, novel techniques to reduce barriers to cancer screening, identifying options to influence policy makers and consumers on health insurance for cancer patients in the region, and pioneering communication strategies for cancer patients and employers to discuss treatment options so as to maintain continued employment. Each proposed initiative builds upon each other in a cohesive and integrated approach to address the cancer incidence and mortality disparity currently impacting the residents of the Southside and Southwest Tobacco footprint. The overarching objective of this proposal is to improve the quality of life, overall health, economic well-being and productivity of the regional workforce. A multi-pronged approach to address the high rates of cancer incidence and mortality in the Southside and Southwest tobacco counties is proposed in this application. The various strategies aimed at improving the health and productivity of the Southside and Southwest tobacco counties residents include the following:
Initiative #1-The results of the needs assessments within these health districts not only identifies areas of need in cancer prevention, early detection, treatment and survivorship, but also provides baseline information that will be used to evaluate effectiveness of policies and programs in reducing death and suffering from cancer in these health districts. This model shall be replicated in the Southside Health

District, West Piedmont Health District, Central Virginia Health District, Lenowisco Health District, and Cumberland Health District. To compliment ongoing activities in the Southwest, and to share data collection tools with an emphasis on collaboration, the lead investigator of this initiative has reached out to researchers of the UVA Cancer Center to work in a coordinated fashion. Once completed, all health districts within the tobacco footprint will have a complete assessment of what is needed to relieve the burden of cancer currently felt by the residents of its communities.

Initiative #2- In order to assist in improving health literacy to improve patient awareness for cancer prevention and screening two approaches have been developed. The first, in conjunction with community resources and input, and the U.S. Preventive Services Task Force (USPSTF) recommended cancer screening guidelines for patients with limited health literacy, a computer-based audiovisual interactive 'Health Promotion educational tool (HPet)' on cancer risk behaviors has been designed. A second approach shall use the Short Test of Functional Health Literacy in Adults (S-TOHFLA), a generally accepted, and well validated, tool for online completion to determine whether health literacy scores predict cancer prevention and screening behaviors and to obtain a baseline measure of health literacy in the region. These broad reaching activities will be conducted in Amelia, Buckingham, Charlotte and Cumberland counties, the cities of Danville, Emporia and Farmville, and the Mt. Rogers Health district, impacting the residents of each locality, with subsequent influence throughout the entire Southside and Southwest tobacco counties.

Initiative #3- Using a mail survey that targets residents in the Crater, Piedmont and Southside Health Districts, this initiative will identify barriers to Colorectal cancer screening that will have an impact throughout the entire tobacco county region. The primary objective of this initiative is to identify the barriers to CRC screening, and how these barriers differ by obesity status. The research staff will also ascertain whether survey respondents have used or have knowledge of local CRC screening resources.

Initiative #4- This initiative will recruit participants from throughout the Southside tobacco region with the primary outcome to inform and influence the state policy makers on the design of how to communicate the details of insurance products sold in Virginia's individual and small group markets in order to improve the coverage decisions of uninsured smokers residing in the Tobacco Commission's footprint.

Initiative #5- The purpose of this initiative is to develop and test the efficacy of a cancer patient focused intervention, an online educational and communication skills training program that will specifically target the employment needs of employed cancer patients in Southside and Southwest regions of Virginia. The goal of this initiative is to decrease the negative impact of cancer treatment on patients' employment by equipping them with legal workplace information and communication tools.

In the proposal under consideration, VCU Massey Cancer Center intends to capitalize on its nationally recognized research expertise to benefit the residents of the tobacco counties to improve their overall health outcomes, thereby stimulating the region's workforce productivity. Each proposed activity builds upon each other in a cohesive and integrated approach to address the cancer incidence and mortality disparities currently impacting the residents of the Southside and Southwest Tobacco footprint. The overarching objective of the project is to improve the health and productivity of the regional workforce.

Staff comments and recommendation: VCU's proposal responds to the General Assembly's addition to the TICR mission of supporting cancer research at a National Cancer Institute-designated university center. Massey has received two TICR grants to date, totaling nearly \$3.4 million. Balances of \$2.1 million remain available under those grants. The majority of this proposal seeks funding for personnel (\$335,053) and contractual services (\$171,352). This proposal would expand a broad array of cancer "literacy" work established in the tobacco region under those grants, and adds a new focus on colorectal cancer. It also expands Massey's presence in Southwest Virginia in a manner that appears well-coordinated with the UVA Cancer Center (e.g. the two organizations have agreed to use compatible database software in order to provide a unified record of clinical trials in the tobacco region). The outcomes are estimated at more than 6,900 tobacco region residents reached through these five initiatives, which were identified as priorities in an internal pre-application process Massey conducted among its 170 researchers. While the majority of grant-

funded positions will be located in Richmond, there are several full- and part-time positions created in the tobacco region, and for ease of administration Massey proposes to equally cost-share the funding of the majority of positions that are directly implementing the proposed initiatives, regardless of the employee's location. **Staff recommends award of \$559,004.**

Wellmont Foundation d/b/a Wellmont Health System
Level One Heart Attack Network - SWVA (#2578)
\$200,000 requested

Project summary provided by applicant: Wellmont Foundation, in partnership with the Tobacco Commission, proposes to provide the residents of Dickenson, Lee, Russell, and Wise Counties with access to field-based heart attack care utilizing telemedicine technology. Our request is for \$200,000, matched with an additional \$200,000 from Wellmont Health System, to equip 11 emergency medical providers in those counties with 21 diagnostic-level and transmission-capable electrocardiogram machines as well as train their approximately 125 technicians in advanced heart care. This project will allow on-site emergency personnel in the field to transmit a patient's electrocardiogram digital output to specialty physicians who can diagnose a heart attack and direct appropriated treatment protocols to be immediately initiated - virtually transforming the emergency transportation vehicles into mobile cardiac care units. Once deployed, this equipment is expected to be used on approximately 20,000 patients per year (with an expected equipment service life of 20 years), specifically providing 1,800 potential heart attack victims with new field-based, telemedicine care. Benefits from implementing this project include much better outcomes for heart attack victims (less heart muscle damage, quicker recovery, and better chances of survival), retention of non-heart attack patients to local hospitals, and higher quality/status of emergency medical providers in those regions. This project is scalable to the degree that each machine costs approximately \$20,000 -- though the 21 units proposed in this project represent approximately half of the total number needed to have all advanced life support vehicles in those four counties properly equipped.

Staff comments and recommendation: The proposal states that "all four counties which will be served through this project have death rates from heart disease that exceed the overall rate for Virginia by 21-59%." The requested equipment will determine if a helicopter is needed to airlift a heart attack patient to the nearest STEMI (the term for a heart attack involving complete artery blockage) receiving centers at Bristol Regional Medical Center and Holston Valley Medical Center, or if a patient can be transported to the nearest emergency room in the event that a heart attack is not diagnosed. Wellmont proposes that the ECG equipment will be owned by the emergency provider, and Wellmont and the equipment vendor are committed to provide training and STEMI medications. The telemedicine aspect of this project involves Blackberry and Bluetooth capability in the ambulance's ECG, transmitted wirelessly to a Wellmont server for a physician diagnosis. In the past two years Wellmont has provided \$240,000 of ECG equipment in Dickenson, Lee, Russell, Scott Smyth, Washington and Wise Counties, and the applicants estimate the requested machines will satisfy slightly more than half of the remaining need among area rescue squads. The primary benefit comes from faster diagnosis and treatment of STEMI patients that reduces permanent heart muscle damage and loss of work or life, while accurate diagnosis in the field allows patients who are not having a heart attack to remain in their region for treatment at their local hospital, saving the expense of transport to a STEMI center. While the project may not be the most technologically advanced in terms of the telemedicine aspect, the annual outcomes are significant over the twenty year life of the equipment, and over a multi-county region that ranks poorly in heart attack incidents. **Staff recommends award of \$200,000.**

ECONOMIC DEVELOPMENT PROPOSALS

The Barter Foundation, Inc.

Expanding Barter's Production Capacity (#2577)

\$3,700,000 requested

Project summary by applicant: Expanding Barter's Production Capacity seeks to address the opportunities for sustainable growth Barter faces due to the success of Barter Theatre. In the last 20 years annual attendance to the theatre increased from 42,000 annual patrons to over 163,000 annual patrons. Barter Theatre's full-time employees grew from 6 to 131 in the same time period. Barter's growth has tested the limits of its current infrastructure; Barter recognizes it must upgrade its facilities to engineer further growth and meet its organizational potential. Barter identified major facility improvements needed to meet this objective: renovation and expansion of the production building and employee residences. With these upgrades, the number of annual patrons to the theatre is expected to increase by 12% and the number of Barter employees is expected to increase by 10%, bolstering visitor spending and tax revenues.

Staff comments and recommendation: The project does not meet the Special Projects eligibility test of at least three participating localities with significant financial participation in a project, but as the State Theater of Virginia the Barter enjoys unique standing and unquestionably generates significant indirect economic impacts that primarily benefit the Town of Abingdon, Washington County and to a much lesser extent surrounding localities. However, this proposal seeks more than 90% of the funds available after fulfilling the multi-year commitment to Liberty University, which would prevent the Committee from making any significant investments this year in healthcare and the stated priorities of cancer research and telemedicine. The request includes \$1.5 million to construct a new employee residence hall, \$1.4 million to renovate and expand the current residence hall (Barter Inn), \$650,000 for A&E and renovations to the production building and \$150,000 to build new prop production space. While staff acknowledges that the Barter's support facilities are dated and in need of upgrades, there is no independent analysis provided to validate that improvements to support facilities such as employee housing, scenery/costume/prop production and rehearsal space will translate to a 12% increase in patron attendance and 10% increase in employment. Employee housing renovations/construction constitute \$2.9 million of this request but housing is specifically defined as a Low Priority of the Commission. The Barter has been conducting an \$8 million capital campaign that will provide \$600,000 of matching funds for Barter Inn residence hall renovations, but it appears that historic tax credits have not yet been explored to provide an additional and substantial funding source for renovations to the buildings that appear eligible for that program such as the nearly-100 year old Barter Inn and production building. Staff suggests that prioritized non-housing activities could be submitted to the Southwest Economic Development program (which has previously provided four grants to Barter totaling \$336,250) at a future date when other funding sources such as ARC, historic tax credits and private capital campaign contributions can be better leveraged with a TICR funding request. **Staff recommends no award.**

The Corporation for Jefferson's Poplar Forest
Building Infrastructure to Support Tourism Growth at Thomas Jefferson's Poplar Forest (#2576)
\$753,960 requested

Project summary provided by applicant: Thomas Jefferson's retreat is an opportunity to develop in Central Virginia a national tourist attraction comparable to Mt. Vernon and Monticello. The capacity to draw national and international tourists makes it a significant economic development engine for this region. Investment is needed to take the next step in developing infrastructure critical to supporting-- and catalyzing -- significant tourism growth. The current goal is to increase annual visitation from 27,000 to 100,000 over ten years. The infrastructure necessary to accomplish this next stage of development is: 1) a new entrance road originating at Enterprise Drive (offering access from major arteries into the area, greater visibility, and visitor access to more features inside the property); and, 2) a year-round, multi-use facility for events and regional business recruitment/development (The Pavilion at Poplar Forest). These projects build upon recent upgrades to accommodate near-term growth (funded by the Tobacco Commission and private sector sources). Increasing annual visitation, in combination with visitors staying longer to experience new facets of the plantation, will directly impact the lodging, restaurant and travel service sectors of the local economy -- supporting local job creation and generating increased expenditures and tax revenue. The total project cost to accomplish this infrastructure is \$5,655,420: \$853,960 for project design/planning, \$4,801,460 for construction. Investment by the Tobacco Commission (\$753,960) partnering with private matching funds (\$100,000) will complete the project planning/design for this critical infrastructure, and will allow the nonprofit Corporation to begin a capital campaign to raise a portion of the funds needed for construction.

Staff comments and recommendation: The Special Projects program has previously supported Poplar Forest with two grants totaling \$475,600 for property acquisition, site improvements and marketing. Much like the Barter, Poplar Forest's project does not meet the Special Projects eligibility test of at least three participating localities with significant financial participation in a project, but as the second home of the nation's third President it enjoys unique standing. This request entails \$290,460 for a first phase to conduct survey, archaeological, preliminary design schematics and other planning activities. A second phase requesting \$563,500 would involve final design and permitting for the road and pavilion projects. Construction is estimated at \$4.8 million and presumably will involve a request to TICR for construction funding at a future date. An accompanying economic impact study estimates that the proposed improvements would help expand annual visitation from the current 27,000 to an estimated 100,000 in ten years, generating an additional \$4.3 million of annual visitor spending in tobacco region localities. However, while located in Bedford County, Poplar Forest's indirect economic outcomes will most likely continue to predominantly benefit the City of Lynchburg which provides the lion's share of nearby lodging, retail and restaurant options that are easily accessible from the proposed new entrance road. The Commission has often attempted to provide partial funding to assist a project through a design phase, however, that type of support for this request would entail either \$290,000 or up to \$750,000+ being redirected away from healthcare proposals that will in most cases generate almost immediate benefits to tobacco region residents, versus supporting the design work here for a project that is facing a considerable \$4.8 million fundraising effort. Given that the most immediate need is to conduct the archaeological work to identify areas where the road and pavilion can be sited, Staff suggests the Corporation should begin that work using other available funds in advance of a future resubmission to the Commission for design assistance. **Staff recommends no award.**

Cumberland IDA

Construction of "Road A" -- the access road into the Cumberland County Industrial Park (#2590)

\$185,600 requested

Project summary provided by applicant: In the fall of 2010, the Cumberland County IDA established the Cumberland Industrial Park. The 70 acre park is a major breakthrough for rural Cumberland, long dependent on an agriculturally-based economy. The Tobacco Commission's support of this grant and past support of previous grants is significant given Cumberland's lack of available industrial land. One tenant has already begun construction within the park and we have received interest from a mid-size manufacturing facility to move to the County to nearly double their operations, among other prospects. Previously-funded tasks including land acquisition, road widening, and wetlands permitting have enabled us just to get in a position of a level playing field where we can begin to market these sites to prospects, many of whom only consider finished industrial land that is "development-ready". Specifically, this grant would allow for the construction and development of the access road into the County's Industrial Park -- referred to as "Road A" -- on the Construction Documents. This access is essential to the development of the Park as the Site Plan approved for Ag-Renewable Resources (in May 2011) shows their permanent entrance connecting to Road A. Also, a prospective manufacturing facility has approached us about their interest in one of the interior parcels -- one that could only be accessed by the construction of Road A. Finally, this grant would greatly aid opportunities to attract new prospects to the other remaining lots.

Staff comments and recommendation: Cumberland County's Southside Economic Development allocation is relatively small and thereby, according to TICR policy, enables the IDA to apply to Special Projects "by right" when the allocation is insufficient to accomplish a project. The County has also stated its intention to seek the current available Southside allocation (\$52,600) to complete this road project. The Southside Committee has helped the County develop this Park with two previous grants totaling \$187,308, and the Commission has committed \$1.4 million to support the Park's first tenant (Ag-Renewable Resources LLC). At staff's request the County has contacted VDOT to determine if this project is eligible for industrial road funds, which appears to be the case. However, those funds require repayment in full if jobs and investment targets are not met within five years, which would place an additional financial obligation on this County with Above Average Fiscal Stress and a very small commercial and industrial base (100 existing manufacturing jobs). **Staff recommends award of \$185,600 contingent on the County seeking the available Southside Economic Development allocation to complete the project.**

Danville Community College

Building a High-Skilled Workforce for Virginia's Advanced Manufacturers (#2591)

\$3,700,000 requested

Project summary provided by applicant: Responding to industry requests as well as student demand, Danville Community College (DCC) has launched a major workforce development initiative to achieve a regional and statewide impact on economic development. Key to the project will be doubling the size of the college's current Precision Machining Technology program while significantly expanding its line-up of training equipment and updating its technology instruction to meet industry's current state-of-the-art needs. A second component includes developing a Manufacturing Technology Certificate program to enable high school students to gain experience and earn college credits through dual enrollment, thereby accelerating award of credentials in high-demand careers (all of which complement Governor McDonnell's "Preparing

for the 'Top Jobs of the 21st Century' legislation). Project funds will be invested in new training equipment and machining tools; salary/benefits for a third machining instructor; renovation/expansion of DCC's machining lab in the Charles Hawkins building; and building a 7,500-square-foot facility behind the Hawkins building to accommodate the displacement of DCC's Welding, Printing, and Building Trades programs which will occur when the machining lab is expanded. The expanded lab will be approximately 20,000 square feet, which will be sufficient to meet the program's projected growth. DCC has secured \$3,375,000 in matching funds to support this technology drive. Matching funds come from DCC's budget, a local philanthropic organization; and industry partners. DCC respectfully requests the TICRC to capitalize on this commitment by awarding the remaining \$3,700,000 that is necessary to bring the project to fruition -- broken out over three years of funding.

Staff comments and recommendation: This proposal also seeks more than 90% of the funds available after fulfilling the multi-year commitment to Liberty University, which would prevent the Committee from making any significant investments this year in healthcare and the stated priorities of cancer research and telemedicine. The proposed facilities will allow expansion of the precision machinist program, the graduates of which are already being hired by Rolls Royce and other regional employers. However, the proposed facilities, equipment and curricula should be developed in conjunction with the findings of the advanced manufacturing workforce training study that is currently being conducted by Boston Consulting Group under a contract with CCAM and funded by TICR. The first phase of that study has been delivered and the final product is due by late-November 2012, which gives DCC ample time to respond to the study by further developing this request with additional matching funds and a prioritization of the proposed activities before being heard in the "competitive" Education cycle that will be conducted in Spring 2013 (proposals will be due February 28th and will be approved at the May 2013 Commission meeting). The Education Committee is the body charged by the Commission with directing funds to educational facilities and programs such as the ones proposed here, and the competitive Education cycle will likely have a strong focus on STEM-H and advanced manufacturing training that aligns well with this proposal. However, it is unlikely that the Education Committee will be able to invest in this project at the requested level of \$3.7 million, so additional fundraising and prioritization is essential before the Commission again considers this project. **Staff recommends request be referred to Education Committee.**

Little League Baseball Inc.

Regional Indoor Diamond Facility (#2581)

\$270,000 requested

Project summary provided by applicant: The proposed project involves the construction of a ClearSpan Fabric Structure. ClearSpan Fabric Structures not only meet current local wind and snow building codes but are energy efficient, very cost efficient and environmentally friendly. Concrete or block foundations are not required for this type of structure therefore making this type of structure considered as a temporary structure as it relates to building codes. The dimensions are 100 ft. by 150 ft. It would contain a regulation size dirt softball infield with indoor turf throughout the remaining area with fencing separating the dugouts, batting cages and seating area. A small office, concession area and two rest rooms would also be adjacent to the field. The ceiling would be approximately 35 ft. at the peak with a shallow, pitched roof, with industrial style lighting. A forced air system would provide heat to approximately 55-60°F. The artificial turf would be similar to that used on most football fields. The building would be constructed in Tazewell County within the town limits of Richlands, Va. near the existing Richlands Little League baseball fields.

Staff comments and recommendation: This project does not meet the Special Projects eligibility test of at least three participating localities with significant financial participation in a project, and is thereby ineligible for the Special Projects program. Furthermore, it lacks the standing of a nationally-recognized destination such as Barter Theatre or Poplar Forest, and while the applicant views it as a facility that will generate tourism revenue from weekend tournaments, the preponderance of daily use will surely be by local leagues, making it primarily a local recreational amenity that is a stated Low Priority for TICR funding, and would generate countless additional requests for local ballfields and indoor sports facilities that generate no direct job creation or private capital investment. **Staff recommends no award.**

Southwest Virginia Cultural Heritage Foundation
Building a Crafts Economy in Southwest Virginia (#2584)
\$500,000 requested

Project summary provided by applicant: "Building a Crafts Economy in Southwest Virginia" is proposing establishment of an economic foundation for the artisan community throughout the Tobacco Commission region of our 19-county service area. The project supports the ongoing work of 'Round the Mountain: Southwest Virginia's Artisan Network and Heartwood: Southwest Virginia's Artisan Gateway using four key components:

1. Expanding the outreach and impact to the artisan and agri-farm community through two outreach specialists dedicated to these activities
2. Invigorating the Southwest Virginia home furnishings market through focused development of RTM artisans and sales at Heartwood
3. Directly supporting at least 70 businesses by purchasing a year's worth of craft from RTM artisans.
4. Expanding the merchandising and marketing infrastructure for craft sales at Heartwood.

The proposed project represents a critical market-based expansion and adjustment to secure a previous Tobacco Commission investment in the artisan and agri-tourism industries of this region. It reinforces work underway that has recently been cited as one of the most important rural economic development efforts in the country. (In June, our Executive Director Todd Christensen attended the White House Forum on Regional Innovation in Rural America where The Crooked Road and Heartwood were the only models called out as rural economic development successes.) Finally, these funds will deliver direct, measurable results on job retention and creation and long-term benefits to the revival of a treasured Virginian commodity--fine home furnishings.

Staff comments and recommendation: This latest funding request from the applicant seeks \$290,000 to purchase retail goods from artisans that will then be sold at Heartwood, effectively giving the applicant an unrestricted gift of \$290,000 once those products are sold. It also seeks \$100,000 to hire two "outreach" specialists to develop additional artisan relationships, though the future source of funding these positions is unclear. It seeks \$60,000 to build an events/market shelter at Heartwood, \$20,000 to update fixtures at Heartwood that were just installed just over a year ago, along with marketing and travel (\$30,000). The Commission most recently assisted the applicant with two Reserve and Special Projects grants in the past two years totaling \$1 million for marketing and program development. The Reserve grant served as match for committed grants from ARC (\$500,000) and a recently announced USDA/EDA grant for \$815,000. A balance of nearly \$550,000 remains in the Reserve grant. The applicant appears to have considerable grant resources to carry its operations and marketing efforts until a future TICR cycle and eventual operational sustainability. **Staff recommends no award.**

Virginia Foundation for Community College Education

GED to College: Increasing Educational Attainment Levels in the Tobacco Region (#2583)

\$364,000.00 requested

Project summary provided by applicant: The Virginia Foundation for Community College Education requests funding in the amount of \$364,000 in support of a new initiative, GED to College, to raise educational attainment levels in the Tobacco Region. The VFCCE proposes to award incentives of \$1,000 each to 350 citizens in the service areas of seven Tobacco Region community colleges, 50 per college, for new GED completers to enroll in postsecondary education and training. The project will be a key component of the Rural Virginia Initiative to advance Rural Virginia through education, thereby contributing to economic and social progress throughout the region. The program will recruit and reward students to enroll in college in the next full semester, or sooner as appropriate, after passing the GED exam, sign up for a specified number of for-credit classes, or sign up for a non-credit program of study that results in a state or national exam. Since the targeted population typically fails to engage with higher education, comprehensive marketing efforts will be necessary to promote the financial incentives of the program, recruit participants to GED classes, and educate new GED completers about the benefits of college. Projected outcomes include 350 people enrolling in community college, completing 3,000 credits or non-credit training hours and ultimately 80 additional degrees, workforce certifications, or transfers to four-year institutions. These higher educational attainment levels across the Tobacco Region will result in improved employment opportunities and earnings and a higher standard of living for underserved citizens.

Staff comments and recommendation: The request involves financial incentives for GED graduates to continue to community college, and the project outcomes are increased educational achievement, both of which align with the TICR Education program objectives. The Education Committee will accept applications February 28th for “competitive” Education proposals, and this project ought to be included in the array of projects reviewed by the Education Committee, and considered relative to other TICR higher education financial aid incentives. **Staff recommends this proposal be referred to the Education Committee.**

OTHER BUSINESS

William King Museum – request to re-purpose Grant #921 (FY06 - \$500,000) for William King Museum Downtown Abingdon Relocation – Phase I

The applicant requests authorization to redirect the use of \$100,000 of the remaining balance of funds (\$362,746) originally granted in 2005 for the Cultural Campus Expansion Project. WKM now asks that the \$100,000 be used to honor an existing contract with a fundraising consultant to develop a capital campaign for a new museum site. The campaign is expected to take eighteen months.

History of grant to date: The grant was approved in August 2005 to help WKM construct artisan studios on its property, however that project was never built. The Special Projects Committee voted in July 2010 to allow the grant to be extended an additional year while the WKM board considered relocating the museum to a new downtown site. The museum board voted that summer to pursue relocation, and the planning that has been underway since 2010 is to relocate to a downtown Abingdon location adjacent to the Barter Theater and within walking distance of other arts organizations, shops, dining and lodging. In December

2010 the Special Projects Committee approved a repurposing of funds for use in Phase One—Preconstruction Planning and Design which was to take place during 2011. A 20,000 square foot building is planned for a site on Main Street. Once a final site concept is approved, additional project development was to produce a schematic design and construction documents necessary to begin Phase Two: Building Construction which was scheduled to begin in 2012 (that target date will not be met). Phase Three, move-in, was to begin in late 2013/early 2014 with a grand re-opening planned for May, 2014. The total construction cost is estimated to be approximately \$6.8 million. WKM now states that the preferred site concept is a new structure adjacent to the Barter and Martha Washington Inn, built on top of a 2-story parking garage, with groundbreaking in 2014 and opening of the facility in 2015.

Staff comments and recommendation: The museum's current site has been improved to museum-quality standards using TICR funds totaling \$480,000. The reasoning for relocation includes better site visibility on Main Street, better site accessibility (the current site is on a hilltop with narrow roads leading to it), and opportunities to partner with Barter Theatre and other downtown arts organizations on collaborative programming, whereas the current site would be marketed for potential commercial or institutional uses to raise funds for the new facility. The repurposing approved by the Committee in 2010 was for capital construction costs, and there was no request to use the grant for fundraising purposes. The issue came to light when WKM asked for reimbursement of \$30,000 of the fundraising consultant's expenses from grant funds. While there is certainly merit and good intent in WKM's plans to relocate the Museum, and a future funding request to support this project could be considered, Staff has a number of concerns regarding this grant and the requested repurposing, including:

- This grant is now more than seven years old, the scope of the project has changed entirely, the ultimate development cost is unknown, and funds to complete the project by the aspired-for date of 2015 (the tenth anniversary of the grant's approval) are not committed;
- The Commission's previous investments to improve the current Museum site will be lost when that building is sold for other non-museum uses;
- Other matching funds from ARC have been rescinded when the project changed scope and experienced significant delays;
- the grantee used funds for purposes not approved by the Commission, and now seeks reimbursement of those expenses;
- approval of contractual services for fundraising could be viewed as a precedent by other grantees to use Commission funds for expenses to conduct capital campaigns for projects of all sizes, but most alarmingly for large multi-million dollar projects;
- the Commission does not have adequate information on the funding and impacts of a new Museum site.

Staff recommends no further repurposing of the balance of Grant #921, that the unapproved expenses incurred for fundraising not be reimbursed from grant funds, and that the Grant be closed as September 30, 2012 and the balance of funds deobligated after all eligible A&E expenses to date have been reimbursed.

NEW MEGASITE GRANT PROPOSAL

Blue Ridge Crossroads Economic Development Authority

Wildwood Commerce Park- Site Acquisition & Utility Development (#2598)

\$6,000,000 requested

Project description as provided by applicant: The Blue Ridge Crossroads Economic Development Authority (BRCEDA) requests \$6,000,000 in Virginia Tobacco Commission funding to purchase 106 acres and to extend natural gas for Wildwood Commerce Park. The total project cost is \$7,046,875 and includes \$1,046,875 in local match. This project will allow BRCEDA to competitively respond to an active prospect with stated job creation of 450 jobs and \$100,000,000 in private investment.

Staff comments and recommendation: The Commission's Megasite and Special Projects programs have awarded \$5.4 million to date for property acquisition, utilities and engineering of Wildwood Commerce Park, located adjacent to Interstate 77's Exit 19. The graded site acquired last year with TICR funds is immediately adjacent to the graded pad and other acreage proposed for acquisition to serve this prospect, and would be combined into a single site to meet this prospect's needs for a 150-acre site. BRCEDA has a signed option for the graded property to be acquired for \$5.75 million (\$54,216 per acre). Funds are also requested for a portion of the \$1.3 million cost to extend natural gas to the site (Carroll County will pay the majority of those costs). The proposed job creation (450 in phase 1 and a potential additional 150 jobs in a second phase that is not guaranteed at this time) clearly meets every definition of a mega-project, would involve revenue-sharing on a major private capital investment by the localities that are partners in BRCEDA (Carroll, Galax and Grayson), and would be a transformational project for the region. This proposal precedes the scheduled FY13 Megasite funding cycle in which applications are due by October 31st, and funding decisions will be made in January 2013, well after this prospect's stated timeline for selecting a site by mid-October. In the event Wildwood is not selected the proposal can be withdrawn and replaced with a revised request in the scheduled Megasite program cycle. **Staff recommends award of \$6,000,000 from the FY13 Megasite budget, contingent on this prospect committing to the Wildwood site.**